

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): (a) Under Oil Industry (Development) Act (OID Act), 1974, and the Rules made thereunder, Oil Industry Development Board (OIDB) is authorized to provide financial and other assistance for the promotion of all such measures as are, in its opinion conducive to the development of oil industry;

(b) The following non-Government companies (joint ventures of PSUs) have received financial assistance from (OIDB);

(i) Indraprastha Gas Ltd. (IGL), New Delhi.

(ii) MahanagarGas Ltd. (MGL), Mumbai.

(Hi) Balmer Lawrie Freight Containers Ltd. (BLFC), Chennai

(c) and (d) As per OID Act, 1974, OI DB decides the policy for financing of projects of oil industry. OI DB have received applications from M/s. Mangalore Refinery & Petrochemical Ltd. (MRPL) and M/s. Essar Oil Ltd. (EOL) seeking loan assistance for their refinery projects.

#### **Measures to reduce NPAs of banks**

\*356. SHRI NARENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether in July, 2000 State-owned banks had set an ambitious target of recovering Rs. 10,000 crores to lower net Non-Performing Assets (NPAs) ratio; if so, how much amount has been recovered during the last six months;

(b) whether any study has been made about the occurrence pattern of NPAs and whether the banks have introduced any preventive measures so that NPAs could be reduced in future; and

(c) what is the present status of NPAs of the State-owned banks, bank-wise as on 31st December, 2000?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VHCHE-PATIL): (a) Reserve Bank of India (RBI) has issued guidelines in July, 2000 to all public sector banks for recovery of dues relating to Non-Performing Assets (NPAs), through a simplified, non-discretionary and non-discriminatory mechanism. While no. targets were set, the Banks were

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advised to ensure maximum realisation of dues from the stock of NPAs within the stipulated time i.e. 31st March, 2001. According to the information available with RBI, as on 31st December, 2000, the Public Sector Banks recovered a sum of Rs. 793 crores out of their NPAs.

(b) RBI reviews on a continuing basis the factors leading to creation of NPAs in banks and financial institutions. There are various internal and external factors, which are responsible for the incidence of NPAs. The internal factors include, *inter-alia*, deficient credit appraisal, non-compliance with terms of sanction while disbursing, inadequate supervision, wilful defaults and inefficient management. The external factors include, *inter-alia*, industrial sickness due to change in technology and demand pattern, cost and time overruns, non-availability of raw material and other inputs, labour problems, natural calamities etc. RBI has advised the banks to take various preventive measures to reduce the incidence of NPAs. These include upgrading skills for credit appraisal and post-disbursal supervision machinery, improvements in their internal control and house keeping, formulation of loan recovery policy and its effective implementation compromise/write off through negotiated settlements, setting up of Settlement Advisory Committees, setting up of Recovery Cells, review of NPA accounts by the Board of Directors fixing of staff accountability etc.

(c) The gross NPAs of public sector banks, bank-wise, as on 30th September, 2000, as furnished by RBI, are given in the Statement (See below). Verified figure upto 31st December, 2000 are not yet available.

**Statement**

		(Rs. Crore)
Name of the Bank	Gross NPAs as on 30.9.2000 (+)	
State Bank of India	15897.66	
State Bank of Bikaner & Jaipur	785.47	
State Bank of Hyderabad	1035.75	
State Bank of Indore	37423	
State Bank of Mysore	619.01	
State Bank of Patiala	670.09	
State Bank of Saurashtra	49025	
State Bank of Travancore	887.15	
Total of SBI Group	20759.61	

Name of the Bank	Gross NPAs as on 30.9.2000 (+)
Allahabad Bank	1647.88
Andhra Bank	447.66
Bank of Baroda	4203.00
Bank of India	362200
Bank of Maharashtra	846.63
Canara Bank	2766.53
Central Bank of India	291329
Corporation Bank	44133
Dena Bank	169223
Indian Bank	325272
Indian Overseas Bank	1668.00
Oriental Bank of Commerce	67202
Punjab & Sind Bank	797.99
Punjab National Bank	3301.87
Syndicate Bank	120035
UCO Bank	1649.66
Union Bank of India	2031.00
United Bank of India	1482.88
Vijaya Bank	574.79
TOTAL for Natl. Banks	35211.83
TOTAL for PSBs	55971.44

(+) Figures for 30.09.2000 are unaudited and provisional.

### **National Water Policy**

† \*357. SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether a discussion or a meeting was convened to arrive at a consensus in the matter of National Water Policy;

† Original notice of the question was received in Hindi.